

DEPARTMENT OF FINANCE BILL ANALYSIS

AMENDMENT DATE: April 3, 2008
POSITION: Oppose

BILL NUMBER: SB 1460
AUTHOR: P. Wiggins

BILL SUMMARY: Solar Energy Projects: Rented Residential Property

This bill would require the California Public Utilities Commission (PUC) to develop a program to facilitate deployment of energy efficiency measures and solar energy projects for individually metered apartment buildings and similar rented residential complexes, and submit a report to the Legislature by July 1, 2009.

FISCAL SUMMARY

The PUC estimates this bill would require four positions and \$421,000 (Special Fund) to develop the program and prepare the report for the Legislature. The need for staffing and resources, if any, resulting from this bill would be evaluated during the annual budget development process.

COMMENTS

Finance is opposed to this bill because of the potential for increased costs to the PUC.

Existing law authorizes the California Solar Initiative (CSI) which provides \$3.2 billion in incentives to electricity customers for the installation of solar photovoltaic panels.

This bill would require the PUC to develop a program to facilitate the deployment of energy efficiency measures in apartment buildings and similar rented residential complexes that are individually metered by July 1, 2009. The PUC would be required to ensure that the program is cost effective for utility customers and to submit a report to the Legislature on the development of the program.

This bill is intended to provide utility customers who live in rental housing to participate in energy efficiency programs. These customers represent 42 percent of California households. However, landlords may be reluctant to install energy efficient improvements in these rental units because the cost savings would be realized by the tenant. This bill would require the PUC to develop a program that is cost effective and may provide an increased opportunity for renters to realize energy efficiencies.

Code/Department Agency or Revenue Type	SO	(Fiscal Impact by Fiscal Year)							
	LA	(Dollars in Thousands)							
	CO	PROP							Fund
	RV	98	FC	2007-2008	FC	2008-2009	FC	2009-2010	Code
8660/PUC	SO	No	----- See Fiscal Summary -----						0462
<u>Fund Code</u>	<u>Title</u>								
0462	Publ Utilities Comm Utilities Reimb Acct								

Analyst/Principal (0631) K. DaRosa	Date	Program Budget Manager Karen Finn	Date
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Department Deputy Director	Date
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Governor's Office:	By:	Date:	Position Approved _____
			Position Disapproved _____

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